Fertilizer Corporations under Public Sector

335. SHRI S. K. T. RAMACHANDRAN: Will the PRIME MINISTER be pleased to state:

(a) which Fertilizer Corporations under Public Sector are running at loss in the year 1991;

(b) are these Corporations running at loss every year;

(c) if so, the losses of each Corporation in each year from 1985-86;

(d) whether it is a fact that the Fertilizer Corporation of India (FCI) is losing more than 100 crores every year;

(e) what is the total loss of this Corporation so far;

(f) what are the serious lapses for the chronic degeneration of these losing Corporations; and

(g) what remedial measures are proposed by Government to revitalise the perennial losing Corporations producing fertilizers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) As per provisional accounts for 1990-91 the following public sector fertilizer undertakings are showing losses:—

(i) The Fertilizer Corporation of India Ltd. (FCI)

(ii) Hindustan Fertilizer Corporation Ltd. (HFC)

(iii) Projects & Development India Ltd. (PDIL)

(iv) Paradeep Phosphates Ltd. (PPL)

(b) and (c) Some of these undertakings have been making losses for the past several years. The position is indicated below from 1985-86 to 1990-91:—

Loss in Rs. Crores

	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
FCI	127.21	105.91	115.41	168.90	163.90	170.33 (provisional)
HFC	71.56	86.22	104.84	156.38	169.14	228.76 (provisional)
PDIL	0.52 (Profit)	0.39	5.19	9.52	19.08	12.29 (provisional)
PPL		8.26	20.34	12.02 (Profit)	37.29	30.80 (provisional)

(d) FCI incurred losses exceeding Rs. 100 crores per year during 1980-81, 1981-82 and from 1985-86 onwards.

(e) The total cummulative loss of FCI is Rs. 1387.35 crores (including the provisional loss for 1990-91).

(f) Some of the main reasons for the losses have been low capacity utilisation, design deficiences, ageing of the plants, coal based technology being tried for the first time in the plants of Ramagundam and Talcher, power problems, coal shortage/quality labour problems, inadequate work load in the case of PDIL and shortage of imported intermediates in the case of PPL.

(g) The various remedial measures being considered by Government are —revamping of the old plants, derat-

ing of plant capacities, capital restructuring of the companies, provision of captive power plants, etc.

Cost of production of fertilizers

336. SHRI S. K. T. RAMACHANDRAN: Will the PRIME MINISTER be pleased to state:

(a) the cost of production of the following fertilizers produced in India (i) Urea (Nephtha based, Coal based and Gas based), (ii) Amonium Sulphate, (iii) Di-amonium Phosphate and (iv) Super Phosphate;

(b) what are the retention prices fixed for these commodities in 1991;

(c) at what retail prices these fertilisers are sold to farmers;

(d) what is the component of subsidy per tonne for each of these fertilizers; and

(e) what is the total cost of subsidy in respect of fertilizers distribution in the year 1991?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN (a) to (d) The statement below gives:

(a) Cost of production;

(b) the retention prices fixed in 1991;

(c) retail prices at which different types of fertilizers are sold to the farmers; and

(d) the component of subsidy per tonne for each of the following fertilizers;

(i) Urea (Naphtha based, Coal based and Gas based)

(ii) Ammonium Sulphate;

(iii) Di-ammonium Phosphate and

(iv) Single Super Phosphate.

Sl. No.	Name of Ferttilizers	Cost of prodn. (Rs./MT)	Retention price (Rs./MT)	Retail price (Rs./MT)	Component of subsidy (Rs./MT)
1	2	3	4	5	6
1	Coal based Urea	4932	5801	2350	3581
2	Gas based Urea	2501	3347	2350	1127
3	Nephtha Fuel-oil based Urea . . .	3462	3916	2350	1696
4	Ammonium Sulphate	2463	2727	1650	1157
5	Di-ammonium Phosphate	5471	6037	3600	2627
6	Single Super Phosphate	1853	1853	950	903

Note : (1) Cost of production excludes interest and return on capital except in the case of SSP.

(2) Component of subsidy excludes freight except in the case of SSP.

(3) Relail Price includes distributor's margin.

(e) The total cost of subsidy for indigenous fertilizers for the year 1990-91 inclusive of freight subsidy is Rs. 3729.71 crores.

Steps to arrest Brain Drain

337. SHRI S. K. T. RAMACHANDRAN: Will the PRIME MINISTER be